



Heidi J. Sorvino

7 Times Square, Suite 2900 | New York, NY 10036-6524
Direct 212.631.4417 | Fax 212.631.1249
sorvinoh@whiteandwilliams.com | whiteandwilliams.com

July 17, 2019

Via Electronic Filing

Judge Elizabeth S. Stong
United States Bankruptcy Court, E.D.N.Y.
Conrad B. Duberstein U.S. Courthouse
271-C Cadman Plaza East, Suite 1595
Brooklyn, NY 11201-1800

In re: **Esther DuVal, as Chapter 11 Trustee of Gallant Capital
Markets Ltd. v. AFX Capital Markets Ltd. *et al.***
Adv. Proc. No. 18-1038 (ESS)

Dear Judge Stong:

We represent AFX Capital Markets Ltd. (“AFX”) in the above-referenced action, and are writing in response to Mr. Maniscalco’s letter dated July 17, 2019 (Docket No. 53). While we have no issue with Mr. Maniscalco’s request for an adjournment, we note that we did not agree to the adjourned date on which we have a conflict. We also are deeply troubled by his baseless and ad hominem attacks.

At all times throughout this proceeding, we have acted in good faith and have worked diligently toward a resolution which was memorialized in a Settlement Stipulation. Unfortunately, due to unforeseen circumstances, AFX has been unable to make the scheduled payments, which has delayed final resolution.

Since the stipulation was signed, we have been honest and forthcoming and have kept Mr. Maniscalco continuously informed as to the progress and status. Notwithstanding our efforts, our client has failed to remit the initial deposit. We continue to be optimistic that the settlement payment will be made as set forth in the Stipulation.

Based on the foregoing, we do not understand Mr. Maniscalco’s suggestion that we have acted in bad faith and made “gross misrepresentations” to the Trustee and the Court.

Judge Elizabeth S. Strong

July 17, 2019

Page 2

Indeed, Mr. Maniscalco does not identify these alleged “misrepresentations” because they do not exist. We fail to see how such attacks advance the resolution of this settlement and given that they are patently without merit and insulting.

Very truly yours,

WHITE AND WILLIAMS LLP

A handwritten signature in black ink, appearing to read 'Heidi J. Sorvino', with a stylized flourish at the end.

Heidi J. Sorvino

HJS:sgm